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CITY OF RENO
REQUEST FOR PRELIMINARY PROPOSALS
FOR DESIGN-BUILD OF THE PROPOSED ReTRAC CORRIDOR
MINUTES
August 15th, 2001
Reno, Nevada

1 DATED: At Reno, Nevada, August 15th, 2001, 1:00 p.m.

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4 MR. VARELA: I'm Steve Varela, Direct of Public
5 Works for the City of Reno. I've been kind of the senior
6 project manager for this project for over five years since
7 we started working with the Surface Transportation Board,
8 the Union Pacific Railroad to make this project a reality.

9 As you'll find out, this project has been in
10 conception form for more than that, over 50 years. We'll
11 present that information a little later. What I want to do
12 first is welcome everyone here.

13 It makes me smile to see so many people in the
14 audience, because we'd like as much competition as possible
15 on this project.

16 And what I'm going to do is introduce the various
17 people who are involved in the project from our side of the
18 group and including some of our consultants.

19 First off, and he'll be the keynote speaker
20 later, I want to introduce the Mayor of the City of Reno,
21 Jeff Griffin, standing over here.

22 And, again, I'm Steve Varela.

23 John Sparnicht, who is recently hired as the
24 city's project manager.

25 We have Merri Traficant, who is our Deputy City

1 Attorney, who has been the primary attorney for the city
2 working on the project.

3 We have Andrew Green, our finance manager, who
4 will talk about the financial condition of the City of
5 Reno.

6 Brent Boyer, who has been dealing with this
7 project related to property acquisition.

8 We have Mark Demuth, who is our principal
9 environmental consultant. He's been with us from the very
10 beginning of this project also and worked heavily from our
11 side in reviewing the EIS and all those documents that came
12 through.

13 John Price and Greg Novak from Federal Highways
14 who have been coordinating the federal part of this project
15 with us.

16 We have with us Todd Montgomery, who is the
17 project manager. Maybe didn't make it here today. Dick
18 Yohman, who is his stand-in for today over here. We have a
19 stewardship agreement with Nevada Department of
20 Transportation who will be the stewards for the federal
21 highway on this project.

22 David Levy, who is the principal consultant with
23 the project management team, who we recently hired who will
24 be putting together the RFP documents, working with our
25 legal consultants, who is Corey Boock, who is our outside

1 legal consultant, who was the primary author of the RFPP
2 documents. He'll be working in the future with Dave Levy
3 to put together the RFP documents.

4 That's primarily my welcome and introduction.
5 Again, this is a very important project for us. I'd like
6 the Mayor, Mayor Griffin, to come up and say a few words.

7 MR. GRIFFIN: Good afternoon. Normally, I do
8 meets and greets, and then I heard keynote, and I think:
9 God, how many of these people can we register to vote
10 before we leave this afternoon? I know they're having a
11 heart attack. God, what is he going to say?

12 Let me talk about this project, if I can.
13 Indulge me a little bit here while I give you a history.
14 Reno is railroad town, Sparks is a railroad town.

15 In 1864, the Transcontinental Railroad came
16 through our city. It was named for General Jesse Reno.
17 Nobody knows who he is, never was west of the Mississippi.
18 As far as we know, he fell in battle, they named this
19 little place, where it was a stop on the Transcontinental
20 Railroad in his honor, and we have been a railroad town
21 ever since.

22 By about 1938, clearly we understood there was an
23 issue with the at-grade crossings in this little town of
24 perhaps 15 or 20,000 or 25,000 at that time and the issues
25 that it represented. And in 1938, a process began to do

1 something about the conflict between people and automobiles
2 and the railroad tracks.

3 And, in fact, in 1998, when we finally came to an
4 agreement on the approach, the design approach to this
5 project with the Union Pacific Railroad, we pulled out of
6 the archives of the Nevada Department of Transportation a
7 rendering of a depressed train rail that was agreed upon
8 and funded and engineered principally in 1938. And as they
9 gathered the materials and the resources throughout 1941,
10 they were ready to begin and break ground on this project
11 in January of 1942 and something came along called Pearl
12 Harbor and ended it all. And the material was taken out
13 and sent off for the war effort.

14 And, quite frankly, we have been struggling ever
15 since in the City of Reno in Northern Nevada to address
16 this very issue. And since that time in 1938, our city now
17 is a city of 185,000, we have almost 10,000 hotel rooms
18 within four blocks of those railroad tracks. We have
19 almost six million visitors a year throughout our
20 community.

21 My own personal background. I used to say I'm a
22 businessman just on loan for public service for a couple of
23 years. I've been at it so long, maybe I can BS you guys,
24 but I'm not able to BS the average citizen. I am a
25 politician and we have been working very hard to fix this.

1 Before I was a politician, I was in transportation, and, in
2 fact, in 1965 I was a longshoreman on the water front in
3 Oakland and I saw these new things starting to come out
4 called containers. And I look today at the open water
5 front and the \$400 million project that the Port of Oakland
6 is undertaking for an intermobile terminal for the
7 steamship lines that serve Oakland and the Alameda area and
8 realized the impact is going to be significant and large to
9 our community.

10 The occasion of the acquisition of or purchase, I
11 don't know how you care to describe it, Southern Pacific
12 and Union Pacific Railroad gave us an opportunity to try
13 for the seventh time since 1938 to resolve this problem in
14 our city.

15 And at the risk of sounding a little bull-headed,
16 we have put our heads down and we have bulled forward to
17 make this happen. We have had partners along the way, the
18 U.S. Department of Transportation has been magnificent, the
19 Nevada Department of Transportation has been magnificent.
20 We've got an outstanding team assembled that has worked
21 diligently for five years to make this dream now a reality.

22 And you're here today to talk about actually
23 constructing this project, making this happen for us.
24 We've done all the heavy lifting we can do and it now comes
25 down to you to tell us how it can be done and how much it's

1 going to be cost and when you can be done.

2 And if all those things can happen in the way we
3 very clearly anticipate, we'll finish this project and it
4 will make an incredible, remarkable, profound difference in
5 this community.

6 It is a nationally recognized project. I was
7 mentioning to some of the folks I was talking to before you
8 started, I'm on the Board of Conference of Mayors and I was
9 at a board meeting in February of this year and the newly
10 installed Secretary of Transportation, Norm Manetta, who
11 was with us for a day, never met the secretary, went up and
12 introduced myself, said: Mr. Secretary, I'm Mayor Griffin
13 from Reno. He looked at me and said: How's that railroad
14 project doing? I said: It's just going great, Mr.
15 Secretary. Terrific, he said. I want to be there when you
16 turn dirt. And I said: You will be.

17 And it's going to happen before this
18 administration, I know this is the part that will kill
19 them, sooner is better. I speak now as a politician. We
20 want to get these results back so we can digest them, the
21 construction bids, the approach you're going to be taking
22 to building this project, as soon as you possibly can with
23 your best effort, but as soon as you possibly can so we can
24 make that decision as soon as we possibly can.

25 I'm really pleased. I will add my welcome from

1 Steve to all of you. I appreciate you taking the time out.
2 We're excited. Everyone in the room is looking forward to
3 the prospects, I look forward to working with you as a
4 partner, as we have successfully done for the five years so
5 far before on this project. On behalf of the City of Reno,
6 welcome, we are really glad you are here. Thank you.

7 MR. DEMUTH: I'm going to stand up here, and if
8 you have trouble hearing me, you have trouble hearing,
9 because nobody ever has a problem.

10 My name is Mark Demuth. I've been working on the
11 project just over five and a half years. And as our first
12 slide, we're one year to construction and I'd like to take
13 you a little bit through the process of how we got there.

14 And I'll try to stay out of everybody's way. I
15 know that's physically impossible, so you're on your own.
16 You won't hear me if I sit down.

17 Accomplishments. We have had a number of
18 accomplishments. Probably the biggest being we received on
19 February 23rd the record of decision that told us that
20 alternative five, the one you heard so much about, is the
21 project, if we're going to use federal funding, the TIFIA
22 loan. This is the project that will move forward.

23 February 27th, the city council took a brave step
24 and told us to move forward in the procurement of the
25 project. They wanted to get to the point where they can

1 make the decision whether this project can move forward
2 based on costs next year when they have costs in front of
3 them. That's why we're here today.

4 July 23rd, Federal Highways, NDOT and the City of
5 Reno signed the stewardship agreement saying how this
6 project is going to be handled in the future. That was
7 also I think a major milestone in getting here.

8 July 24th, city council awards \$4.9 million
9 project to the DMJM Harris, Moffat Nichols group, called
10 the Truckee Meadows ReTRAC Team to prepare the documents
11 you will ultimately receive and work on to prepare your
12 bids for this design/build project.

13 July 27th, we issued the RFPP. Hopefully, you've
14 receive it, you've downloaded it, you've been receiving it
15 by e-mail. We've tried very hard to make sure that there
16 isn't a single person in the continent that didn't receive
17 a copy of the RFPP. Hopefully, we did a good job of
18 getting it out.

19 Accomplishment, we got a commitment from the
20 Department of Transportation. They wanted the TIFIA loan
21 funding for our project before the end of this fiscal year.
22 That was big news and we're very proud of that.

23 Talk a little bit about staging and shoofly.
24 I've got to actually get a mouse up here. This is not a
25 very big part of it, but I want to show you a little tour

1 of the project. I'm going to sit down for this so you can
2 all see.

3 Okay. We're flying in a helicopter from the west
4 end of the project towards downtown. Dickerson Road and
5 the buildings that need to be removed north of the shoofly,
6 Second Street underpass. This will be removed as part of
7 the project. The shoofly is through this area right along
8 here heading towards this alley right here.

9 We're coming up on the major intersection of
10 Keystone. The primary design feature here is to be below
11 grade at Keystone, so Keystone, which is the largest ADT in
12 the city can remain at grade.

13 There is a building here, here and here that need
14 to be acquired, some that need to be acquired that are
15 trapped between the shoofly and the main line. They aren't
16 disturbed, they aren't accessible during the project. Vine
17 was passed, Washington. This is a large undeveloped piece
18 of property. We have Ralston coming up. This pedestrian
19 overpass will remain.

20 The shoofly cuts across -- let me pause here.
21 Shoofly cuts across the Sands parking lot and joins the
22 main line right here. This is part of the staging that
23 we've looked at for a number of years to try to keep the
24 shoofly out of the downtown area as long as humanly
25 possible.

1 We use the two ends of the shoofly and the center
2 section of the main line to create one complete train
3 track. And then as we move further, we take the trains off
4 the main line and build a second shoofly down Commercial
5 Row.

6 Commercial row is a this little space between
7 this building and the railroad. And this is where the
8 single track shoofly would head down. Certainly, one of
9 the more challenging parts of the project.

10 Arlington is actually three feet in the air and
11 will come down about three feet. We have the Hilton Hotel,
12 there's a pedestrian, we have a pedestrian overpass called
13 the Rainbow Overpass that we anticipate will be underpinned
14 in place. It's a large conveyance of pedestrians for the
15 Fitzgerald's.

16 We have what's commonly called the Hilton garage,
17 which was recently purchased by the Fitzgerald's. It's now
18 called the Fitzgerald's garage. It is the only large
19 structure straddling the railroad. We anticipate it will
20 be underpinned in place as acquisition of the building is
21 substantial, it will be cheaper to underpin.

22 And let me get a little bit further here. Going
23 to stop one more time. Okay. Virginia Street is right
24 down here. Center Street is next to the garage on the
25 other side. This is the National Bowling Center, one of

1 the largest bowling alleys in the world, home of the
2 bowling convention every two years, which brings 88,000
3 bowlers, just because it's not complicated enough.

4 Right now, we have the existing AmTrak Station,
5 what's commonly referred to as a the Men's Club. It's a
6 historic building presently occupied by a men's bar. The
7 strippers aren't historic, only the building is historic.

8 The other third historic structure is the freight
9 house and the large white portion in the front is historic.
10 The parts that were built afterwards are not.

11 We need to underping the existing AmTrak station
12 in place. It's not movable. The building which we call
13 the Men's Club needs to be moved out of the way. It
14 presently hangs three feet over the trench project. We
15 don't believe it would be wise to keep it in place.

16 And the freight house hangs four feet over into
17 the trench and needs to be moved off site.

18 The shoofly is coming down this path on
19 Commercial Row, missing AmTrak and taking a sweeping turn
20 and missing the Silver Spike Substation. And I'll get this
21 moving. You'll see. The AmTrak station, with the red
22 tile, Men's Club, Evans Avenue doesn't go through, but
23 will. Freight house, shoofly, swinging, missing the
24 substation, going underneath the bridge. This is the part
25 where you thread the train through the buildings and heads

1 down towards Sutro.

2 Let me see if I can stop. This is the area that
3 has one of the greatest environmental concerns is the
4 railroad is only about 350 feet from the river. The
5 Truckee River is the most heavily regulated body of water
6 in the United States. The standards for discharge into the
7 Truckee River are higher than drinking water standards.
8 It's cheaper to take water and make it drinking water than
9 discharge into the Truckee River.

10 We're traveling. Again, the shoofly is over
11 here. One part of the project, we have an existing North
12 Reno Branch Line that heads towards the north old Western
13 Pacific line that needs to be maintained and will be
14 maintained with a whole new set of tracks over here that
15 require a number of acquisitions. And I'll talk about
16 those in just a few moments. Let me finish it up.

17 The end of the project is right down here by
18 Sutro. So let me stop. That hopefully gives you some idea
19 of where the project is. That's the best representation we
20 have.

21 This is a staging plan for what we anticipate the
22 shoofly would look like. As you can see, we bring in the
23 shoofly from and cross the Sands property and go back on to
24 the main line while this portion of the trench we think
25 will be built. That's the shoofly there. And as the

1 center section is being built, a single track shoofly goes
2 down Commercial Row. When the whole project is done, the
3 shooflies are removed and the traffic is back in the train
4 trench.

5 Trench construction, we looked at a number of
6 things through the preliminary engineering firm and the
7 cost estimates, diagrams, slurry walls were used for the
8 permanent structure. For the inverted type, we used a jet
9 grout with a cast in place, concrete slab on top of it.
10 The jet grout was looked at as purely a barrier for water
11 and for ballast and doesn't provide long-term structural
12 support. Long-term structural support is provided by the
13 cast in place, concrete slab.

14 Real quickly, I'm going to move. Some people are
15 probably saying I have not seen anything. We have existing
16 conditions. We removed utilities, begin the slurry walls,
17 pouring the slurry, remove the tracks, build the bridges,
18 excavate down to the water table, put in the invert below
19 the water table, put in tracks, and, if needed, struts
20 instead of tie backs. And you're going: He missed about
21 600 steps and, yes, we did. You may fill in the blanks as
22 you'd like to.

23 Here's a cross-section of what we think a slurry
24 wall with strut construction would look like. Noticeable
25 things you should notice, we have two main line tracks and

1 a maintenance road. The maintenance road is set on the
2 south side, because of the AmTrak station.

3 This is the structural slab. This is the jet
4 grout. Same thing with respect to tie backs. We
5 anticipate tie backs in some areas where they're not too
6 costly. In the downtown area, the property is expensive
7 enough. The struts will be warranted as opposed to tie
8 backs.

9 Cross streets, nothing really dramatic about the
10 cross streets. You have probably a cast in place --
11 precast, I-beam construction of some type. That certainly
12 is going to be left up to the contractor. We have some
13 idea of what the extent of repavement is going to be based
14 on the fact that some streets are going up, some streets
15 are going down. It's not a very complicated elevation, and
16 it's backwards. The maintenance road here is on the wrong
17 side.

18 Utilities. We have them, we have both parallel
19 utilities and utilities that cross existing intersections.
20 We anticipate them to be relocated to the Third Street
21 corridor that looks something like this, where we would
22 create a utility corridor and place all of them here. And,
23 again, I'm not the engineer, I'm the environmental guy. I
24 have the road on the wrong side of the project. Hopefully,
25 you won't be making the same mistake.

1 We have the shoofly, barrier rails, and this is
2 an end project right of way and easement. During the EIS,
3 we looked at all the property we anticipated would be
4 required for the preliminary engineering methodologies.
5 Different methods would require different property
6 acquisition. We anticipated, they've been made part of the
7 documents available through the City of Reno, you can see
8 there's a number of them. There's a number trapped between
9 the project and the shoofly, although they won't, they
10 can't, for safety reasons we have no way of providing fire
11 projection.

12 We have a number of small little parking strips
13 adjacent to the project that can be acquired during
14 construction and will be put back to use. This is the
15 north Reno branch line, the one that takes the existing
16 trains before they get in the trench and takes them up to
17 join the Western Pacific Line that goes on to the Feather
18 River. It requires, because it's a new railroad
19 construction, it has some of the largest amount of property
20 acquisition and demolition. It goes through a number of
21 buildings on that side of the project and then we join back
22 just past Sutro where Reno branch line and the shoofly
23 join.

24 Cost estimate. You've probably seen a number of
25 cost estimates. There are a variety of cost estimates that

1 you can find in a number of documents we have. In 1996,
2 Nolte did an order of magnitude cost estimate based on no
3 engineering. That was the basis for future documents.
4 After that point, the EIS in the appendix, I have a number
5 of cost estimates we used to determine which project may
6 have the greater impact on the environment, based upon
7 construction costs. And the most recently would be in the
8 Nolte preliminary engineering estimate, which advanced the
9 design to approximately 30 percent, and uses the slurry
10 walls and the jet grout that we discussed.

11 These are the major components of that. Comes to
12 a total in \$272 million. That's everything the city would
13 be anticipated to spend if the project was completely done
14 at that point. We know we won't be done until 2006, 2007.
15 We have financing costs. We put all that together. We
16 think the costs over time, as spent in the years 2000,
17 2001, all the way through 2007 is approximately \$272
18 million. That includes me, the lawyers, everything, not
19 just the construction of the project, all project costs.

20 Funding and financing. I would hope you're
21 pleased with the fact that we can actually say we have all
22 of our funding sources in place before we go out for
23 proposals. We have a number of people providing funds to
24 the project, Union Pacific, sales tax, room tax, a downtown
25 assessment district, interest earnings, grants from the

1 federal government, all of which are presently in place.

2 Let me give you a real quick update. The eight
3 cents, we have actually collected \$12.7 million as of July
4 2001. One percent room taxes, we've collected \$2 million.
5 UP lease income, those were not transferred. They're in
6 escrow and escrow has collected almost \$3 million of UP's
7 contributions, railroad payments. They agreed to pay for
8 parts and pieces of rail. They can provide it or cash in.
9 That's valued at \$17 million.

10 The assessment district should bring in \$18
11 million. It cannot be collected until the project is
12 substantially completed, but it's in place. Federal
13 Highways grants we received to date \$2.3 million and on the
14 state at this point, we have \$18.8 million pledged.

15 When that is funding, financing is how do we get
16 the money all up front? We're looking at bond proceeds
17 from sales of room tax of \$115 million. A federal TIFIA
18 loan backed by sales tax and the special assessment
19 district of \$79.5 million. Other sources, bonds sales,
20 interest income, which you pay as you go and the parts and
21 pieces is another \$78 million. And that number should look
22 familiar. It's the same number at the bottom of my spread
23 sheet for costs; in other words, we have the ability to
24 finance the \$272 million that we had on the previous sheet.

25 Future plans at this point, I believe, is it

1 Corey or Dave? Corey is going to come and talk to you
2 about the dates and milestones on the RFP process.

3 MR. BOOCK: Good afternoon. My name is Corey
4 Boock. I'm with the Nossaman, Guthner firm in Los Angeles.
5 We are acting as procurement legal advisement in connection
6 with the procurement you're sitting here for.

7 I'll start with the RFPP since that is where we
8 are. That will ultimately roll into some of the upcoming
9 events. A couple dates to remember, which are coming up
10 very quickly, August 20th, which I believe is this Friday,
11 is the deadline for any requests for clarifications,
12 questions, and the like that you may have based on the
13 RFPP.

14 We have received some to date and those were, the
15 answers to those questions were handed out up front
16 earlier. If you did not get a copy, please do so.

17 To the extent that we do receive questions on the
18 20th and to the extent we will, we would issue answers
19 and/or a formal addendum on the 27th, a week later. The
20 preliminary proposal due date is September 7th, and at that
21 point, we will -- your initial work will be done and we'll
22 be into an evaluation mode.

23 We do not anticipate at this time requiring oral
24 presentations; however, we have reserved the right to do so
25 and we have tentatively scheduled them, if needed, on

1 October 8th and 9th. If they are going to be required, we
2 will let the proposers know ahead of time.

3 The notification of prequalification or short
4 listing will occur on October 23rd with no -- will be the
5 formal city council action with notification going out on
6 the 24th.

7 Turning, then, to where we go from there. Other
8 highlights and things that are very important to our
9 process. Concurrently with the short listing, the program,
10 the project manager, the Truckee Meadows Team will be
11 presenting their verification of the cost estimate that the
12 Nolte team did the preliminary engineering and cost
13 estimate at the 23rd and that is something that will be
14 considered by the city council at that time.

15 Again, I mentioned short listing will occur on
16 the 23rd, with notification on the 24th. We are
17 anticipating issuance of the final RFP in December of this
18 year. We are anticipating doing an industry review. We
19 very much value and will encourage input and feedback from
20 you, the designers and builders, as to our documentation.
21 We want to make this a win-win for everyone and definitely
22 will solicit and encourage your feedback and input into
23 making the documents and the project as economic and
24 efficient in this time period as possible.

25 The design build proposals will be due in April

1 of next year, April 2002. June 2002 would be
2 recommendation of the best value proposal. This is a best
3 value procurement, not a low bid procurement. It will be
4 considered by the council in July with award intended to
5 begin and notice to proceed issued, if not eminently
6 thereafter, shortly thereafter, with construction to begin
7 August 2002. And while I'm not the engineer, I understand
8 it will take approximately four years and will be completed
9 in early 2006.

10 A couple more points I want to mention before I
11 step off here. In terms of the submittal requirements for
12 the RFPP, the request for preliminary proposals, fair
13 amount of discretion left to all of you, whether you want
14 to include it in one volume, two volumes or six volumes.
15 The only requirements as to volumes are that the financial
16 qualification materials, which are the section C in the
17 outline, must be in a separate volume.

18 Secondly, to the extent you intend to provide any
19 preprinted brochures, materials of that nature, that also
20 would be in a separate volume. As to all of the other
21 materials, leave it to you whether you want to have it in
22 one or more volumes.

23 Want to make a comment on confidentiality. As
24 you might suspect, if not know, the city is subject to the
25 Nevada Public Records Act. To the extent that materials

1 are deemed proprietary or confidential by you, we will,
2 first of all, encourage you to limit what you assess as
3 confidential and proprietary to just those items and to
4 clearly mark on each page that that they are confidential.

5 Finally, you will at the end of this
6 presentation, be hearing questions and -- be able to ask
7 questions and we'll hear responses from the group. We will
8 be reviewing the transcript and issuing written answers to
9 those questions and written answers will be the official
10 answers, notwithstanding anything that we may say up at
11 this podium this afternoon. Thank you.

12 MR. DEMUTH: They're telling me the next item is
13 an environmental update. I'll give you a brief update on
14 where we are on the process. Now that we've completed the
15 record of decision, we're continuing to move forward
16 implementing mitigation measures. There are 140 mitigation
17 efforts that are summarized. In that effort, my firm has a
18 contract to implement as many of those in advance,
19 including all of the permits for the interference with the
20 river as possible. So we're presently looking at
21 encroachment permits, storm all of the permits from the
22 Corps of Engineers, state lands, everything else.

23 I suggest you visit our website at www.Madcon.com
24 and you can actually download our entire scope of work and
25 see every part of the process we're presently working on.

1 We're working on -- the other large part, we're
2 working on a treatment system for discharge of the water
3 that will be trapped during construction and then released
4 into the sanitary sewer system. As you may have read, a
5 big part of the project is the portion of the project that
6 intercepts the groundwater table and how that water can be
7 effectively dealt with. The water is contaminated with PCE
8 and must be treated and discharged to the sanitary sewer
9 system. We anticipate having that system designed and
10 permitted and included in the RFP package for your
11 consumption.

12 Other major areas will be the sensitive species.
13 We've just completed our, believe it or not, our bat survey
14 and we have no endangered or threatened or listed bat
15 species anywhere in the project area. That report is also
16 now available through Sierra Legal Duplicating as is all of
17 our work.

18 Those I would say are the highlights for our
19 environmental work. We continue to work to finish as many
20 of the advance mitigation measures we can so they can be
21 reflected in specifications for the RFP process. Thank
22 you.

23 MR. GREEN: All right. Good afternoon. My name
24 is Andy Green. As Steve had mentioned, I'm the finance
25 director for the City of Reno. Steve wanted me basically

1 to keep my presentation short, so I will.

2 You will get paid. Okay. The city's financial
3 condition is very good, as good or so much so that it's
4 earned A2 rating, bond rating overall, which most of you
5 realize is significantly high. The highest you can get is
6 an A1. AA we have with some of the other rating agencies.
7 So the financial condition of the city is good.

8 The financial structure, operation and the way
9 the city is laid out as far as the financial institutions
10 are concerned, our credit agencies are concerned, is good.
11 So we anticipate going out to issue bonds for this
12 particular project sometime this fall, probably October,
13 November is what our anticipated date is as it stands right
14 now.

15 We're in the final negotiations of the TIFIA
16 loan, getting the term sheet processed and items laid out.
17 We anticipate having that done over the next couple of
18 months. So, again, the financing, as Mark had mentioned,
19 is pretty much on line and in the works for all intents and
20 purposes, so the numbers that Mark had listed up here on
21 the overhead, we pretty much have covered, and I guess I
22 will answer questions later on. Thank you.

23 MR. BOYER: Good afternoon. I'm Brent Boyer,
24 property manager for the City of Reno. Fortunately, Mark
25 gave you a very good overview on some of the acquisitions,

1 but I do want to mention a couple of things. One in
2 particular is some good news in that we've accomplished
3 one, we've crossed one big hurdle in terms of right of way
4 and that is striking a deal with Union Pacific Railroad
5 back in December of 1999 -- 98. There you go. Time flies
6 when we're having fun with this project.

7 In that agreement we struck with UP, they agreed
8 to essentially convey all of its property that it owns here
9 in Reno from West Second Street that you may remember
10 through the slides all through the eastern city limits.
11 That has tremendous value. And since that's where most of
12 the construction is going, that's a huge accomplishment.

13 It's not all we have to do in terms of
14 acquisition. As Mark pointed out in the fly-over, you can
15 see a number of buildings that will be isolated and cutoff
16 by the shoofly and those will have to be acquired, if not
17 temporarily, permanently, and some will be demolished.
18 There will be relocation of businesses and property owners
19 that are affected by that.

20 The way we see this going forward over the next,
21 in the course of the next year is to begin with survey work
22 to precisely identify. We have a pretty good idea what the
23 properties are that we acquired. We need precisely an idea
24 what the properties are, legal descriptions. That will
25 happen over the next two months. Later this fall, we will

1 develop a relocation plan for the businesses affect of
2 this. About the first of next year, we'll begin the real
3 estate appraisals to actually come up with the costs and
4 values of the properties to be acquired and also develop
5 relocation benefits that people will be afforded.

6 So in the spring, probably April or so of next
7 year, we will be set to go in terms of all the right of
8 way. And just as soon as the city council then awards the
9 contract to you in July of next year, we will make offers
10 to the property owners and begin the relocation process.

11 We anticipate that entire process to take
12 anywhere from six months to a year, depending on the type
13 of project and the amount of relocation necessary, that
14 sort of thing.

15 The City of Reno does have the right of
16 condemnation. Right of way work can be troublesome. We
17 anticipate having to use condemnation here and there. Hope
18 we don't have to do too much. If necessary, we will do so.
19 In the State of Nevada, we can acquire property, take
20 possession of properties after just a very short of period
21 of time, go to court with a right of possession and
22 typically it's awarded within 30 days. We don't anticipate
23 that holding this up.

24 Like the others, I'll be available for questions
25 at the end.

1 MR. LEVY: Thank you, Brent. Good afternoon. My
2 name is David Levy. I'm with the Truckee Meadows ReTRAC
3 Team. We'll serve as the project management consulting.
4 I'm here to discuss the utility agreements and geotechnical
5 engineering information.

6 But first, let me take a step back and just tell
7 you a little bit about our approach to the engineering. As
8 you are aware, a great deal of engineering has already been
9 done to date. It's been made available to you. Our
10 approach in preparing the RFP and any additional
11 engineering we're doing from now on is we put ourselves in
12 your shoes and we want to say what information do we need
13 to provide that allows you to prepare the most cost
14 effective proposal to us. That's what's in the city's best
15 interest.

16 So we feel the best way to do that is to put
17 ourselves in your shoes as such. We hope to enhance the
18 information that's available that will help you in your bid
19 and provide certain stipulations in the RFP when that comes
20 out that will identify key issues, let you know what you
21 have to do, and what you don't have to do, so that there's
22 as little guess work in your bidding process in estimating
23 your job.

24 Let me talk to you quickly a little bit about the
25 utilities and master agreements. As Mark showed before,

1 the utilities run parallel to the right of way and the
2 utilities run perpendicular to the right of way.

3 It is our intention to identify those utilities
4 to the greatest extent possible. We intend to discuss it
5 with the utility companies, reach agreements with them and
6 present that information in as clear and concise a manner
7 as possible. What we will evaluate is which utilities we
8 will have moved for you and which utilities you will
9 relocate yourselves during the construction.

10 There are a couple of ideas that are floating
11 around between us. None of this is in concrete. But just
12 to give you an idea of our thinking, if there are some
13 utilities that are under the streets, the street crossing,
14 Virginia, Sierra, et cetera, and you have to dig up the
15 street, that perhaps the time to relocate the utilities is
16 during the construction of the street. Our job would be to
17 identify those utilities beforehand, what is there and what
18 the utility company will require.

19 Conversely, utilities that are parallel to the
20 right of way, it makes sense from our point of view, at
21 this time, again, subject to change, that we will relocate
22 them before construction begins. That seems the most
23 logical thing to do.

24 With respect to geotechnical issues, surveys,
25 there's a great deal of wells out in the job. That we will

1 collect that data and present that to you in the RFP
2 process so you have information, the most current and best
3 available information, the way the water table is.

4 There's a bunch of stark information already
5 available to you, but we want to share with you the current
6 information of the level of the water table. In addition,
7 there will be a soil management plan presented to you,
8 included in the RFP. And in addition, we intend to take
9 borings right along the right of way, especially in doing
10 the slurry walls, at the abutments for the street
11 crossings. We feel that's the most valuable place to take
12 the borings for you.

13 You could, perhaps, suggest other places and that
14 will be part of your peer review or industry review,
15 rather, that will occur during the RFP process, but, again,
16 it's obviously in the best interests of this city to give
17 you the information that would allow you to make the best
18 value judgments during your estimating process.

19 So with that, I want to turn this over to John,
20 who will field questions, John Sparnicht, the city's
21 project manager, and he will address questions, he'll field
22 the questions from the audience. Thank you very much.

23 MR. SPARNICHT: My name is John Sparnicht. I'll
24 be the city's project manager. This is my third day, so
25 I'm learning the project right along with you all and I

1 think that puts us in a common setting.

2 My function right now is to act as like a traffic
3 cop for the questioning process and hopefully we can
4 respond to each question in a significant manner today. We
5 certainly intend to no later than the 27th, with the
6 understanding that the cutoff for questions is the 20th, as
7 Corey described.

8 That all of the questions posed today will be
9 transcribed as part of the proceedings. General questions
10 regarding procedures and format for submitting the RFPPs
11 obviously are of greatest concern at the moment and we will
12 make every effort to respond to those today.

13 It may be that we take a brief caucus, put our
14 heads together and come back with a response within a few
15 minutes. But it is our goal to attempt as best we can to
16 give you insight into the preparation of the RFPP as needed
17 today. Questions that tend to focus on the details of the
18 RFPP procedure, obviously, have somewhat greater technical
19 content, and we may well wish at this time to defer those
20 and respond as I said formally by the 27th as stated in the
21 addenda.

22 One basic ground rule, please, I'd like every
23 questioner to give his surname and the entity that he
24 represents. Please let that individual complete his
25 question before someone else might choose to jump in and

1 amplify or extend the question. That will help us maintain
2 order.

3 On behalf of the ReTRAC Team, I'd like to say
4 that it's our mission statement that we will attempt, as
5 best we can, to disseminate information clearly and in a
6 timely manner. So with that, I'd like to get started.
7 Don't be bashful. Yes, sir.

8 **Please note: This portion of the Pre-proposal**
9 **Meeting Minutes is superceded by Addendum No. 1 including**
10 **Exhbit A - Questions that have been received by the City**
11 **from prospective proposers as of August 20, 2001; and the**
12 **City's answers to those questions (provided separately).**

13 MR. SPARNICHT: Someone else?

14 Do I see any more hands. Is that it? Last
15 chance? Okay. You know, I personally appreciate it, I
16 know the whole city team appreciates it and Steve Varela
17 will make a brief closing statement and thank you for
18 coming.

19 MR. VARELA: I'm going to make a suggestion here,
20 and if you guys would like, we'll do it, if it's a
21 consensus. If it's not, we'll end the meeting. If any of
22 you would like a five-minute break to confer with your
23 other folks or team members and ask more questions or you
24 can go ahead and leave that for your written questions with
25 the due date that we talked about. I think the 20th is the

1 last day and we'll go ahead and respond to those questions,
2 to every one. Every written question that we get, we'll
3 respond and everyone will get an answer so everyone will
4 have the same information. It's really up to you folks.
5 It seems to me that would probably be the best way to go
6 rather than breaking and coming back. But some of you may
7 not be here for those verbal questions that may come up.

8 Again, I want to thank you all for coming. I
9 think it was a very productive day. We look forward to
10 this process. We look forward to getting this project
11 done. It's 50 plus years in the making. I think we're
12 going to do it this time. I hope to see you guys in the
13 future. Have a good one.

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